

Message Text

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ACTION ARA-10

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-03 H-01 INR-05 L-02

NSAE-00 NSC-05 PA-01 RSC-01 PRS-01 SP-02 SS-15

USIA-06 EB-07 COME-00 AGR-05 STR-01 CIEP-01 OPIC-03

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R 171759Z DEC 74

FM AMEMBASSY GEORGETOWN

TO SECSTATE WASHDC 684

INFO AMEMBASSY BRIDGETOWN

AMEMBASSY CARACAS

AMEMBASSY KINGSTON

AMCONSUL PARAMARIBO

AMEMBZSSY PORT OF SPAIN

C O N F I D E N T I A L SECTION 1 OF 2 GEORGETOWN 2214

E.O. 11652: GDS

TAGS: PINT, GY

SUBJECT: DECADE OF BURNHAM RULE- ANALYSIS AND PROSPECTS

1. SUMMARY: PRIME MINISTER FORBES BURNHAM AND HIS PEOPLE'S NATIONAL CONGRESS (PNC) ENTER THEIR SECOND DECADE OF RULE THIS DECEMBER. MUCH OF BURNHAM'S AND PNC'S FIRST DECADE WAS SPENT IN EFFORT TO EXPAND AND CONSOLIDATE POWER WHICH THEY HAD SO NARROWLY WON FROM CHEDDI JAGAN. BURNHAM NOW APPEARS TO HAVE EFFECTIVELY NEUTRALIZED JAGAN AND OTHER THREATS TO HIS RULE AND HE HAS ACQUIRED FIRM GRIP ON POLITICAL AND ECONOMIC POWER. HE BEGINS SECOND DECADE FREE TO FORCE PACE OF GUYANA'S ECONOMIC DEVELOPMENT ALONG LINES OF TIGHTLY CONTROLLED SOCIALIST STATE. IN ACCOMPLISHING THIS OBJECTIVE BURNHAM FACES OBSTACLES, INCLUDING HIS OWN CHARACTER AND CHARACTER OF HIS PEOPLE, WHICH MAY MAKE CHALLENGES OF SECOND DECADE TOUGHER AND MORE SUBTLE THAN FIRST. END SUMMARY.

2. AS PRIME MINISTER FORBES BURNHAM, LEADER OF THE PNC,
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CELEBRATES THIS DECEMBER THE 10TH ANNIVERSARY OF HIS PARTY'S

RULE, HE AS COMPLETED ACQUISITION OF CONTROL OVER MOST ASPECTS OF GUYANA'S POLITICAL AND ECONOMIC LIFE. DURING THIS FIRST DECADE, MUCH OF BURNHAM'S EFFORT HAS BEEN DEVOTED TO MOVING SKILFULLY AND STEADILY FROM SHARING POWER IN A TENUOUS COALITION TO A DE FACTO ONE PARTY STATE. NOW THAT THIS PROCESS APPEARS COMPLETE, BURNHAM AND HIS PARTY ARE FREE TO FOCUS ON HOW THEY WILL EXERCISE THAT POWER.

3. IN BUILDING POLITICAL POWER BURNHAM FACED THE CONSIDERABLE OBSTACLE OF GUYANA'S RACIAL POLITICS OF AFRO-GUYANESE AGAINST EAST INDIAN. TO BREAK CONTROL OF PEOPLES PROGRESSIVE PARTY (PPP) REPRESENTING EAST INDIAN MAJORITY AND THEIR LEADER CHEDDI JAGAN, BURNHAM WAS FORCED INTO COALITION WITH CONSERVATIVE UNITED FORCE (UF) AFTER 1964 ELECTIONS. ONCE IN POWER, BURNHAM LED GUYANA TO INDEPENDENCE IN 1966 AND THEN USED ELECTORAL FRAUD IN 1968 TO GIVE PNC MAJORITY. WHEN CONTINUING RACIAL POLARIZATION SHATTERED BURNHAM'S HOPES OF ATTRACTING EAST INDIAN SUPPORT, HE RESORTED MORE OPENLY TO ELECTORAL FRAUD IN 1973 TO EXPAND HIS POWER AND GIVE PNC TWO-THIRDS MAJORITY IN NATIONAL ASSEMBLY. ALTHOUGH BURNHAM HAS FAILED TO ACHIEVE RACIAL BREAKTHROUGH, HE HAS REDUCED EAST INDIAN LEADER JAGAN TO DEFEATED AND PATHETIC FIGURE AND SUCCEEDED IN DRIVING EAST INDIANS INTO APATHY RATHER THAN ACTIVE RESISTANCE. NOW, MORE THAN YEAR AFTER LAST ELECTION, BURNHAM'S CONTROL OF POLITICAL SITUATION IS SO COMPLETE THAT JAGAN'S ARREST, TRIAL AND CONVICTION ON MINOR ARMS CHARGE THIS AUTUMN STIRRED LITTLE OPPOSITION FROM GUYANA'S EAST INDIANS. TEN, FIVE OR PERHAPS EVEN TWO YEARS AGO IT WOULD HAVE BEEN OTHERWISE.

4. WHILE BREAKING POWER OF JAGAN AND EAST INDIANS WAS PRIMARY PROBLEM FOR BURNHAM IN HIS FIRST DECADE, HE ALSO NEEDED TO AVOID BEING OUTFLANKED ON LEFT IN LEADERSHIP OF AFRO-GUYANESE. INITIALLY, BURNHAM SOUGHT TO DEFUSE BLACK POWER ELEMENTS, PRINCIPALLY EUSI KWAYANA'S ASCRIA, WHICH RIVALLED HIM, BY CO-OPTING THEM INTO HIS GOVT AND OCCASIONALLY ADOPTING THEIR RHETORIC. BY MID-1971, HE WAS SECURE ENOUGH IN HIS POPULAR SUPPORT TO BREAK WITH KWAYANA AND OTHER BLACK RADICALS WHO CRITICIZED HIS GOVT. NOW, NO LONGER TOLERATED BY BURNHAM, ANTI-BURNHAM AFRO-GUYANESE GROUPS HAVE BEEN REDUCED TO SMALL FOLLOWINGS AND STERILE CRITICISM.

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5. COMPLEMENTING HIS CONTROL OF ELECTORAL PROCESS AND NEAR ELIMINATION OF EAST INDIAN AND AFRO-GUYANESE OPPOSITION, BURNHAM HAS ALSO SOUGHT TO ENSURE THAT HIS RULE WILL NOT BE THREATENED FROM OTHER QUARTERS. HE HAS WHITTLED DOWN PRESS FREEDOM, AT FIRST THROUGH GOVT LIBEL SUITS AND RESTRICTIONS ON IMPORTATION OF NEWSPRINT AND MACHINERY, LATER BY FORCING OUTSPOKEN NEWSPAPERMENT TO LEAVE THEIR JOBS, AND MOST RECENTLY BY GOVT OWNERSHIP

OF REMAINING MAJOR INDEPENDENT PAPER. HE HAS POLITICIZED CIVIL SERVICE BY BASING APPOINTMENTS ON PARTY LOYALTY AND BY REQUIRING CIVIL SERVANTS TO PARTICIPATE IN IDEOLOGICAL TRAINING. FINALLY HE HAS UNDERMINED LABOR'S INDEPENDENCE BY SKILLFULLY EMPHASIZING HIS OSTENSIBLE TRADE UNION ORIGIN AND BY EXPLOITING LABOR MOVEMENTS NUMEROUS INTERNAL WEAKNESSES.

6. IN SHORT, BURNHAM HAS IN TEN YEARS GAINED NEARLY COMPLETE CONTROL OF POLITICAL PROCESS AND EFFECTIVELY NEUTRALIZED THREATS TO HIS POWER. WHILE RETAINING SUPERFICIAL SYMBOLS OF PARLIAMENTARY DEMOCRACY, HE HAS CREATED ONE PARTY STATE. WHEN NEW CONSTITUTION, SCHEDULED TO BE DRAFTED IN 1975, IS READY, EVEN THOSE SYMBOLS MAY BE SWEEP AWAY.

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C O N F I D E N T I A L SECTION 2 OF 2 GEORGETOWN 2214

E.O. 11652: GDS

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SBJET: DECADE OF BURNHAM RULE- ANALYSIS AND PROSPECTS

7. BURNHAM'S CONTROL OVER GUYANA'S ECONOMY HAS PROCEEDED ON

PARALLEL PATH WITH HIS POLITICAL CONTROL. SUGAR, RICE, AND BAUXITE, WHICH COMPRISE EIGHTY-FIVE PERCENT OF VALUE OF GUYANA'S EXPORTS, ARE ALL CONTROLLED BY GOVT. ALTHOUGH SUGAR INDUSTRY IS OWNED BY U.K. BASED MULTINATIONALS, GOVT DICTATES TO WHOM INDUSTRY WILL SELL AND LIMITS PROFITS INDUSTRY WILL REALIZE BY MEANS OF LEVY INTRODUCED THIS YEAR. GOVT CONTROLS RICE INDUSTRY BY FIXING PRICES TO FARMERS AND BY MARKETING ALL RICE THROUGH GUYANA RICE BOARD. BY END OF 1974, BAUXITE INDUSTRY WILL ALSO BE UNDER FULL GOVT CONTROL. NATIONALIZATION OF REYNOLDS WILL COMPLETE TAKEOVER OF BAUXITE INDUSTRY WHICH BEGAN IN 1971 WITH GOVT OWNERSHIP OF ALCAN'S OPERATIONS. IN ADDITION TO CONTROLLING THESE THREE MAJOR FACTORS IN ECONOMY, GOVT HAS AUGMENTED ITS ECONOMIC POWERS BY OTHER MEASURES INCLUDING REQUIRING ALL IMPORTS TO BE LICENSED, CONTROLLING TRADE THROUGH EXTERNAL TRADE BUREAU, IMPLEMENTING WIDE RANGE OF

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PRICE CONTROLS, AND STEADY ENLARGEMENT OF NUMBER AND ROLE OF STATE-OWNED CORPORATIONS.

8. HAVING NEARLY COMPLETED THIS LONG PROCESS OF ACQUISITION AND CONSOLIDATION OF HIS CONTROL OVER GUYANA'S ECONOMIC AND POLITICAL LIFE, BURNHAM BEGINS HIS SECOND DECADE OF RULE IN POSITION TO FOCUS ON EXERCISING POWER RATHER THAN WORKING TO MAINTAIN IT. ALTHOUGH COOPERATIVE SOCIALISM IS GUYANA'S OFFICIAL IDEOLOGY, IT DOES NOT OFFER REAL GUIDE OR BLUEPRINT FOR BURNHAM TO FOLLOW IN USING HIS POWER. IN REALITY, COOPERATIVES PLAY VERY MINOR ROLE IN ECONOMY, AND MORE SIGNIFICANT TREND IN RECENT YEARS HAS BEEN GROWTH OF STATE CORPORATIONS IN TIMBER, AGRICULTURE, AND MARKETING. COOPERATIVE SOCIALISM'S GOAL OF "MAKING THE SMALL MAN A REAL MAN" ALSO CONFLICTS WITH STATEMENTS BY MINISTER OF ECONOMIC DEVELOPMENT AND OTHER THAT SOCIETY, RATHER THAN INDIVIDUAL, IS MOST IMPORTANT. MOVEMENT SEEMS CLEARLY TOWARD CONTROLLED SOCIALISM, NON-ALIGNED POLITICALLY BUT MORE EMOTIONALLY ATTUNED TO CHINA, CUBA AND PERHAPS EVENTUALLY THE SOVIET UNION THAN TO THE U.S. AND THE WEST.

9. MORE THAN COOPERATIVE SOCIALISM, DEVELOPMENT ITSELF HAS BECOME SORT OF IDEOLOGY FOR BURNHAM AND HIS PNC SO LONG AS IT DOES NOT DEPART FROM SOCIALIST PATH. DEVELOPMENT, BOTH AS PROCESS AND GOAL, IS PARAMOUNT AIM TO WHICH ALL ACTIVITIES MUST BE DIRECTED AND ALL OTHER VALUES, INCLUDING INDIVIDUAL FREEDOMS AND PARLIAMENTARY DEMOCRACY, MUST BE SACRIFICED. BURNHAM INTENDS TO USE POWER HE HAS SO CAREFULLY ACQUIRED TO FORCE PACE OF DEVELOPMENT. HE ENVISAGES PNC, DISCIPLINED BY NEWLY ANNOUNCED CODE OF CONDUCT, AS FORMING COMMITTED CADRE OF SOCIALISTS WHO WILL RE-MAKE GUYANESE INTO INDUSTRIOUS AND SELF-RELIANT PEOPLE. MANDATORY IDEOLOGICAL EDUCATION IN SCHOOLS, NATIONAL SERVICE, AND NEW CONSTITUTION BASED ON SUPREMACY OF PARTY OVER GOVT WILL ALL BE TOOLS IN THIS TRANSFORMATION.

10. AS HE BEGINS SECOND DECADE OF HIS RULE, BURNHAM FACES CHALLENGES IN ACCOMPLISHING HIS OBJECTIVES WHICH MAY WELL BE BOTH TOUGHER AND MORE SUBTLE THAN THOSE OF FIRST. WHILE BURNHAM DOES HAVE CONSIDERABLE POWER AT HIS DISPOSAL, HE IS SEEKING TO BUILD CHINESE STYLE SOCIALIST SOCIETY WITH UNDISCIPLINED CARIBBEAN PEOPLE. BURNHAM FACES NOT ONLY APATHY OF GENERAL POPULACE BUT ALSO LETHARGY AND CORRUPTION AMONG HIS OWN SUPPORTERS PRODUCED
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BY TEN YEARS OF ENJOYING BENEFITS OF POWER. BURNHAM HIMSELF IS TO SOME EXTENT VICTIM OF EROSIVE PROCESS; HE IS LESS IN TUNE WITH RANK AND FILE, MORE INCLINED TO ARROGANCE. THUS, ULTIMATE FATE OF HIS DRIVE IS IN DOUBT.
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